



MEMORANDUM OF UNDERSTANDING Swift Haulage Berhad ("SHB" or "COMPANY") - Memorandum of Understanding ("MOU") between Swift Integrated Logistics Sdn. Bhd., a wholly-owned subsidiary of SHB, Sowatech Sdn. Bhd. and KP Port Services Sdn. Bhd.

SWIFT HAULAGE BERHAD

Type	Announcement
Subject	MEMORANDUM OF UNDERSTANDING
Description	Swift Haulage Berhad ("SHB" or "Company") - Memorandum of Understanding ("MOU") between Swift Integrated Logistics Sdn. Bhd., a wholly-owned subsidiary of SHB, Sowatech Sdn. Bhd. and KP Port Services Sdn. Bhd.

The Company wishes to announce that SHB's wholly-owned subsidiary, Swift Integrated Logistics Sdn. Bhd. ("**Swift Integrated Logistics**" or "**Buyer**") had on 11 January 2022 entered into MOU with Sowatech Sdn. Bhd. ("**Sowatech**") and KP Port Services Sdn. Bhd. ("**KP Port**") (hereinafter Sowatech and KP Port collectively known as "**Sellers**"), to confirm the Buyer's interest in acquiring and the Sellers' interest in disposing the entire equity interest of KP Depot Services Sdn. Bhd. [Registration No: 200201027611 (595274-X)] of which Sellers have 100% equity interests.

Please refer to the attachment for further details of the announcement.

This announcement is dated 11 January 2022.

Please refer attachment below.

Attachments

[Swift Haulage Berhad - Memorandum of Understanding .pdf](#)
158.1 kB



Announcement Info

Company Name	SWIFT HAULAGE BERHAD
Stock Name	SWIFT
Date Announced	11 Jan 2022
Category	General Announcement for PLC
Reference Number	GA1-03012022-00051

SWIFT HAULAGE BERHAD ("SHB" or "Company")

MEMORANDUM OF UNDERSTANDING ("MOU") BETWEEN SWIFT INTEGRATED LOGISTICS SDN. BHD., A WHOLLY OWNED SUBSIDIARY OF SHB, SOWATECH SDN. BHD. AND KP PORT SERVICES SDN. BHD.

1. INTRODUCTION

The Board of Directors of SHB ("**Board**") wishes to announce that SHB's wholly owned subsidiary, Swift Integrated Logistics Sdn. Bhd. ("**Swift Integrated Logistics**" or "**Buyer**") had on 11 January 2022 entered into MOU with Sowatech Sdn. Bhd. ("**Sowatech**") and KP Port Services Sdn. Bhd. ("**KP Port**") (hereinafter Sowatech and KP Port collectively known as "**Sellers**"), to confirm the Buyer's interest in acquiring and the Sellers' interest in disposing the entire equity interest of KP Depot Services Sdn. Bhd. [Registration No: 200201027611 (595274-X)] ("**KP Depot**") of which Sellers have 100% equity interests ("**Proposed Transaction**").

Both the Buyer and the Sellers to be collectively referred to as the "**Parties**")

2. DETAILS OF THE PARTIES TO THE MOU

2.1 Swift Integrated Logistics

Swift Integrated Logistics was incorporated in Malaysia and is principally involved in the provision of integrated logistics services comprising container haulage, land transportation, warehousing and container depot, and freight forwarding agency services, and investment holding.

2.2 Sowatech

Sowatech was incorporated in Malaysia and is principally involved in investment holding and letting of property for rental income.

2.3 KP Port

KP Port was incorporated in Malaysia and is principally involved in port supporting services and providing nitrogen purging and pigging services.

3. SALIENT TERMS AND RATIONALE OF THE MOU

3.1 The MOU sets out the general terms and conditions necessary to form the basis of further discussions between the Buyer and the Sellers with a view to completing the Proposed Transaction.

3.2 The principal terms of the Proposed Transaction are based on discussions held between the Parties which are non-binding in nature and are subject to the execution and delivery by the Parties of a definitive share purchase agreement ("**SPA**") and other documents related to the Proposed Transaction ("**Acquisition Agreements**").

3.3 Subject to satisfaction of the conditions to be set out in the Acquisition Agreements for the Proposed Transaction, the Buyer intends to acquire the

entire equity interest of KP Depot from the Sellers and persons connected to him.

3.4 Purchase Consideration

3.4.1 The entire equity interest in KP Depot (which is the subject of the Proposed Transaction) is propose to be valued between RM9,000,000 to RM11,000,000 (*Ringgit Malaysia Nine Million to Eleven Million Only*) ("**Purchase Consideration**"). The Purchase Consideration shall be fully satisfied by way of cash payment.

3.4.2 The Parties agreed that the Purchase Consideration shall be subjected to the satisfactory completion of a commercial, technical, regulatory, financial, tax, legal and environmental, social and governance (ESG) due diligence on the Company.

3.5 The Sellers shall not conduct any container depot business competing with those conducted by KP Depot and the Buyer, whether directly or indirectly for a period of two (2) years from the date that the Sellers no longer holds any stake in Buyer.

3.6 The Parties further agree that no lock-up period will be imposed on the Parties upon Completion of the Proposed Transaction.

3.7 During the period of the execution of the MOU, the Sellers shall not enter into any agreement, discussions, or negotiations with, or provide information to, or solicit, encourage, entertain or consider any inquiries or proposals from, any other corporation or other person with respect to: (i) possible disposition of all or a portion of the Company, or (ii) any business combination involving the Company, whether by way of merger, consolidation, share exchange or other transactions for a period of four (4) months starting from the date of the MOU and shall be extended subjected to the written consensus of Parties.

3.8 The MOU shall be valid for a period of four (4) months from the date of the execution of MOU and shall be extended subject always to the Parties' agreement in writing.

3.9 The MOU shall automatically be terminated at the end of its term or upon execution of Acquisition Agreements.

4 FINANCIAL EFFECTS

The MOU will not have any effect on the issued share capital and substantial shareholders' shareholdings of SHB. The MOU will not have any effect on the earnings per share, net assets per share and gearing of SHB for the financial year ending 31 December 2022.

5 APPROVALS REQUIRED

The execution of the MOU does not require any approval of shareholders or any relevant authorities.

6 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders of SHB and/or persons connected with them have any interest, either direct or indirect, in the MOU.

7 DIRECTORS' STATEMENT

The Board, having considered all aspects of the MOU, is of the opinion that the MOU is in the best interest of the Company.

8 DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the MOU will be made available for inspection at the registered office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan during normal office hours from Monday to Friday (except for public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 11 January 2022.